HUMAN EVENTS

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Labor is the Issue: The Capital these days has its eyes riveted on three figures, upon whom the course of the Nation apparently depends. They are President Eisenhower, former Secretary of the Treasury George Humphrey and Senator Barry Goldwater (R.-Ariz.). Finally convinced of the danger of inflation by the sage advice of Humphrey, Ike has rallied a national crusade against the menace of a rubber dollar; and he now finds himself constrained, upon the advice of the dynamic Senator Goldwater, to pinpoint the labor reform issue as the major prerequisite to solving the problem of inflation and spending.

It is known that Goldwater had a long behind-closed-doors talk with Ike last week, concerning the dangers of unrestrained labor power and the inadequacy of Senator Kennedy's "labor reform" bill. Goldwater cast the lone vote against the measure in the Senate, saying: "The bill, in terms of its effect on the evil conditions it professes to cure, is like a flea-bite to a bull elephant." In short, said the Arizona Senator, the Senate labored long to produce the Kennedy measure, but "like the proverbial mountain, it brought forth the proverbial mouse."

According to information relayed to HUMAN EVENTS *from White House sources, Ike congratulated Goldwater on his lone vote against the "sweetheart" bill and said that, if he had been a Senator, he would have voted right along with the Arizonan.*

● Ike, it is reported, now realizes that not only labor boss corruption, but labor boss greed and irresponsibility, threaten the economic foundations of the country. Not the least of the evidence piling up was the recent testimony of former Federal Reserve Chairman Marriner Eccles, who served in Franklin D. Roosevelt's regime as financial braintruster.

Eccles, surveying the scene in which the Steelworkers union is now demanding a $1 billion package increase, remarked: "If all of the other workers of America—more than 65 million—were to demand and receive these same benefits, it would add $52 billion to the cost of goods produced. There would be nothing 'creeping' about the resulting inflation."

● In the cloakrooms of the Senate, there is some speculation about whether Ike, in his new incarnation, will crack down on the Modern Republicans on Capitol Hill. For it was a group of five "liberal" Republicans that was responsible for the passage of the Kennedy bill. Led by Republican Senate Whip Thomas Kuchel of California—with the aid of Aiken (Vt.), Cooper (Ky.), Case (N.J.) and Langer (N.D.)—this group arranged and sponsored the watered-down version of the "bill of rights" amendment. The Kuchel version, it is emphasized, was not simply a compromise but an abject surrender to the labor boss lobby. "Liberal" Democratic Senators Clark (Pa.) and Church (Idaho) had actually offered a substitute proposal much tougher on the labor oligarchy than the Kuchel measure. Thus the five left-wing Republicans showed themselves more subservient to the labor lobby than did two prominent Democrats, customarily pro-labor in their attitudes.

No wonder, therefore, that intense feeling rose among GOP conservatives against Kuchel and his followers. Columnist George Dixon reported that the usually quiet Senator Dworshak (R.-Idaho), in the Republican cloakroom, "with a bull-like roar of rage, rushed at the Californian [Kuchel]," but was restrained by other members from actual assault.

HUMAN EVENTS sources quote Dworshak as saying: "What are you trying to do to the Republican party?" This publication also learns that, prior to his surprise move on the labor bill, Kuchel was seen conferring—in the offices of the Minority Leader—with a group of labor lobbyists, headed by the AFL-CIO's Andrew Biemiller.

● The President's appeal to toughen the Kennedy bill by amendments falls on ready ears in the House of Representatives. Representative Carroll D. Kearns (R.-Pa.), ranking GOP member of the Labor Committee, has a program for beefing up the bill and restoring much of the muscle removed from it in the Senate by Kennedy, Kuchel, *et al.* The Committee will hold hearings for at least three weeks, and it is hoped that many rank-and-file union members will testify about labor boss evils. Some 150,000 letters received from rank-and-filers by the McClellan Rackets Committee suggest that there is a vast reservoir of resentment among dues-payers against the way their unions' affairs have been conducted.

Since it is estimated that the bill will not move to the floor of the House until mid-June, hope is rising that the bill will either be amended constructively or defeated *in toto*. It is recalled that last year, the Kennedy-Ives "sweetheart" bill, which had passed the Senate, was defeated by an aroused lower chamber.

● Meanwhile, Ike's stubbornness in continuing to demand swollen foreign aid authorizations (while urging spending cuts) greatly irks Republicans in Congress. Some express the hope that Senator Styles Bridges (R.-N.H.), who enjoys Ike's esteem, can swing him on this issue, as Humphrey has on economy and Goldwater on labor. Bridges is a stern critic of the kind of foreign aid urged by the Administration.

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REA: When the Democrats' effort to override President Eisenhower's veto of the REA bill failed in the House last week, the cause of economy in Government won a signal victory.

This facet of the struggle was highlighted last week by the remark of former President Herbert Hoover, who said that "it would be a sad day for good government" if the House voted to override Ike's veto. Hoover's comment recalled the fact that the famous Hoover Commission recommended eliminating REA's subsidized status. In its publication, *How to Save $7.5 Billion a Year,* HUMAN EVENTS noted the Hoover Commission's report that "the subsidies [to REA] were provided by charging interest at two per cent, which is one percentage point less than the Treasury pays on long-term issues; granting exemption from Federal taxes; allowing a five-year moratorium period with a delayed payment of interest . . . ; and paying administrative expenses of about $7,750,000 annually from Federal Funds."

The Hoover Commission's recommendation: "With 92.3 per cent of all farms electrified as of June 30, 1954 [94.8 per cent in 1957], it was the Commission's belief that the time has arrived for the reorganization of the Rural Electrification Administration into a self-supporting institution, securing its own finances from private sources, in a manner similar to that of other agencies."

GOP Chairman: One of the aspects of the Administration which puzzles observers in the Capital is the strange line being put out by new Republican National Chairman Thruston Morton. Last week, HUMAN EVENTS pointed out that Morton, in a radio-TV interview, threw cold water on Ike's chances of balancing the Budget. Now the man whom the President hand-picked to head party affairs—against widespread dissent from leaders of the GOP—choruses still another song out of key with the tune emanating from the White House.

The left-wing *New York Post* arranged an interview with the Republican Chairman in which he was asked to name the issues that would be of chief importance between now and the 1960 elections. The *Post* reporter might well have expected to get the answers of "economy" and "labor reform." Instead, Morton responded that the issues would be (1) high interest rates, (2) unemployment and (3) agriculture. "Liberal" Democrats, oddly enough, seem to concentrate on these topics; the President doesn't.

Morton also cited foreign policy as a key issue, saying: "While we are fairly well unified on a firm stand, we can't get public opinion so straitjacketed that you can't make concessions in return for equal concessions for fear that would be labelled appeasement."

How to Fight Inflation: The Chicago *Tribune* has racked up the impressive score of 130,000 letters to members of Congress as a result of its drive to arouse people to the dangers of inflation. The letters come from the "Chicagoland" area—Illinois, Indiana, Iowa, Michigan and Wisconsin. The staffs of the ten Senators and 72 Representatives from these states have been busy coping with one of the biggest mails they have ever received. All these members of Congress have acknowledged the letters with assurances that they would heed the anti-inflation admonitions of the correspondents. (How these legislators carry out such pledges will be the subject of a check by the *Tribune* staff when spending measures go to the floor for voting.)

Much of the success of the *Trib* campaign, it is agreed, is due to the detailed care with which it was mounted. A double-page spread included coupons containing protests against excessive spending and inflationary measures. Full directions were given as to how to address the individual members of Congress. The campaign ran continuously from April 12 to April 25, and included interviews on the subject of inflation with various people in the Chicagoland area. The repetition of the appeal over a period of two weeks is believed to have contributed greatly to the big response. (An Eastern newspaper, using the same coupons and appeal, but limiting the coverage to one day, drew scant returns.)

Another feature of the *Tribune* drive was the publication of prize-winning personal experience letters on the effects of inflation. One of these, from Ford C. Zimmer of Fort Wayne, Indiana, is typical:

"Because of a heart condition, I retired from my job two-and-a-half years ago, after 38 years of active work. I was 61 years old, and my pension, together with nominal savings, seemed big enough to get me by on a simplified standard of living until I could qualify for social security at age 65.

"In the short time since then I have been alarmed at how the buying power of my income has been cut by inflation. The real value of my savings, largely made up of Series-E bonds purchased through payroll deductions, has been reduced to only about half the average cost. The same applied to my pension and it will apply to my social security payments when they finally start coming. My insurance program, once considered adequate, has suffered the same depreciation."

In order to spur others to emulate the efforts of the *Tribune,* the Illinois Retail Merchants Association and the Illinois Manufacturers Association are distributing kits, containing all the *Tribune's* articles, to their memberships.

Civil Liberties: Washington's flock of "liberal" legislators and pundits are always quick to speak out in defense of "civil liberties"—if the liberties in question belong to a Communist, or if they furnish a pretext for creating some kind of new agency. But when the liberties under discussion belong to conservatives, or to ordinary nonsubversive citizens, the left wing doesn't get too aroused about them. Three instances appeared prominently in the news last week:

- The McClellan "bill of rights" for labor—designed to give union members freedom of speech and other elementary liberties, backed by a realistic enforcement clause—was struck from the Kennedy-Ervin labor bill by a coalition of Democrats and "liberal" Republicans. All of the Senate's most loud-mouthed champions of "civil liberties" for Communists voted to cancel out those same liberties for honest union members.

- In Stockton, California, a merchant named Charles

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Hawkins was fined $1400 and sent to prison for 20 days. His offense: selling Alka-Seltzer tablets at 14 cents below the price established by the manufacturer—an act in violation of California's misnamed "fair trade" law. From his cell, Hawkins said: "I believe that unless I sign a contract to sell an item at a certain price, I shouldn't be bound by somebody else's agreement." To date, no champion of "civil liberties" has stood up in Congress to plead Hawkins' case. Nor has the American Civil Liberties Union, perennial defender of Communists, come to Hawkins' aid—in spite of repeated inquiries by HUMAN EVENTS.

● Finally, left-wing practitioners of the double standard have outdone themselves in the dispute involving Admiral Lewis Strauss, former Chairman of the Atomic Energy Commission, and Dr. J. Robert Oppenheimer, security-risk physicist ousted from the AEC during Strauss' tenure there. Two years ago, Oppenheimer was invited to perform as "William James Lecturer" at Harvard University. The invitation prompted considerable opposition from conservatives, who felt that Oppenheimer, a self-confessed liar, was a poor choice to instruct Harvard youth in the finer points of moral philosophy. Aroused by this conservative protest, "liberaldom" rose in wrath to defend Oppenheimer's "civil liberties"—on the theory that cancellation of a speaking invitation, even at a private institution, impinged upon Oppenheimer's freedom of speech.

The consistency of this vociferous concern for free speech was tested last month when Admiral Strauss received an invitation to address the annual meeting of the American Physical Society. Once again "liberaldom" rose: but this time it was to demand that the invitation be revoked, and that Strauss be publicly humiliated by a repudiation at the hands of the APS. A group of left-wing scientists, calling themselves "The Last Strauss Committee," circulated literature urging that the Strauss talk be called off, and conducted a poll among APS members in an attempt to accumulate anti-Strauss sentiment.

HUMAN EVENTS reporters contacted the American Civil Liberties Union, to discover if it would censure those leftists trying to stop Strauss' appearance. Under prodding from HUMAN EVENTS, the ACLU went into a brief huddle, and came up with a strong rebuke to the left-wing scientists trying to prevent Strauss' appearance. In a letter last Thursday to the American Physical Society, ACLU Executive Director Patrick Murphy Malin said:

"... we would deeply regret if the spirit of the First Amendment principle of free speech was infringed by the withdrawal of the invitation. This action would indicate that a fear exists to hear the views that Mr. Strauss wishes to express. As the scientific community has so vigorously campaigned for freedom of information and open discussion, we hope the APS will not act in contradiction to this vital principle."

Rockefeller: New York's Governor Nelson Rockefeller last week received a highly revealing accolade from UAW boss Walter Reuther, who told newsmen that he thought Rockefeller would be more at home in the Democratic party than in the GOP. "I think he would make a good Democrat," Reuther said—confirming the judgment of conservative Republicans on Capitol Hill. Inasmuch as Reuther has been one of the main props of the Democratic party for the last 20 years, his comment has the ring of authority.

On the same day that Reuther conferred his blessing on Rockefeller, Minnesota Congressman John A. Blatnik, a far left-wing Democrat, announced that he had received a letter from Rockefeller, unsolicited, supporting a Blatnik proposal to double Federal aid expenditures for sewage treatment. Congressional Republicans oppose this bill, as does President Eisenhower, in the belief that the Federal water pollution control program should be turned back to the states.

Trujillo: Diplomatic Row in Washington reports that a month ago the Dominican Government approached the Italian and French Governments to purchase arms—tanks, machine-guns, light artillery and ammunition. Rome and Paris, although quite willing to sell these to Trujillo, consulted with Washington. To their surprise, they received a request from the State Department not to sell arms to Trujillo or any other Caribbean Government. In deference to the US, therefore, they declined the Dominican offer. This week, French and Italian diplomats were astounded to read in the papers that the US was selling arms to Panama, as that nation faced an invasion of revolutionaries. It was indicated that these European Governments may now go ahead and arm the Dominicans.

Castro: America as "leader of the free world"—runs an acidulous wisecrack in the Capital—is like a watchdog that insists on licking the hands of the burglar. This reaction was prompted by the cordial treatment accorded Soviet boss Anastas Mikoyan last winter, and by the delirious reception recently staged for Cuban Premier Fidel Castro in New York—in spite of the fact that Castro's hands, and his political dossier, are deeply tinged with red.

In addition to thwarting legitimate protest by anti-Castro forces (see HUMAN EVENTS *for April 22, 1959), America's eager VIP treatment for Castro has dealt a brutal blow to US prestige in Latin America. Scripps-Howard correspondent Edward Tomlinson reported last week that, in the Latin countries, the citizens have no use for Castro's bearded henchmen. "The young barbudos," he wrote, "were jeered by diners when they entered one of the leading restaurants." Tomlinson added that "on the very day 'Doctor' Castro was telling the newspaper editors that he and his henchmen were not Communists, he was being extolled by Red leaders in several of the Latin American republics."*

Besides Castro's open hookup with the Reds, there are two other matters that the Latin nations dislike: "Whatever we may think about it," Tomlinson notes dryly, "the hundreds of executions in Cuba since the revolution have not gone down with the general public in these Latin American nations ... Next to his insistence upon shooting former subordinates and policemen of Batista, the thing that has lost Castro friends throughout Latin

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America has been his expressed intention to help overthrow other dictators and 'undemocratic governments' in neighboring countries. Nearly all Latins resent any outsider meddling in the political affairs of their countries" (see item that follows).

Nicaragua: Even as Panamanian rebels and Cuban raiders snare headlines with their invasion of Panama, storm clouds are gathering, unpublicized, over another Central American nation.

"Watch Nicaragua," is the word passed by inside sources in the Capital—for this country is scheduled to be the scene of the next "spontaneous revolution" on Fidel Castro's list. Here's what was discovered last week, by HUMAN EVENTS staffers who probed the churning cauldron of Latin politics:

From his position of exile in Caracas, Venezuela, would-be Nicaraguan revolutionist Guillermo Vasquez last week declaimed that "the people of Nicaragua are ready for an armed uprising." And no secret is made of where the revolutionists are to receive both inspiration and material assistance. In a recent radio broadcast, the Nicaraguan revolutionists exuberantly announced that "Cuban preparations for a Nicaraguan invasion" are under way. The revolutionists boasted:

> **"Cubans have shown a great deal of interest in the affairs of Nicaragua, as they have also in the Dominican Republic. Many young Cubans are training to help in the coming struggle for Nicaraguan liberty. They wish to inspire us by the glorious example of their own victorious revolution."**

Clergy: The sparks of indignation struck by the National Council of Churches last fall—when one of its mouthpieces pushed for recognition of Red China—continue to blaze throughout US Protestantism.

Last week, meeting in Atlanta, Georgia, the General Assembly of the Presbyterian Church in the United States delivered a stunning blow to the National Council, voting to censure it for its pro-Red stand on the China issue. In the wake of overwhelming protests from clergy and laymen around the country, this was the first official action by an NCC member denomination, taking the Council to task for its recognition stand. (For details on previous protests, see HUMAN EVENTS for January 21 and February 11, 1959.) With 873,000 members, this denomination is the second largest Presbyterian body in the country.

Anti-Communists hope that other NCC members will take their lead from the Presbyterians, and repudiate the Council's "soft" position on Red China.

Grants in Aid: Among the varied deceptions by which left-wing politicians promote collectivism, none has greater seniority than Federal "grants in aid" to states.

Federal grants are disbursed on the theory that the states are too penurious to care for their own needs, and therefore must have access to money from Washington—an argument which ignores the fact that all the money in Washington has to come out of the states in the first place.

Some recently published statistics cast additional light on the "grants-in-aid" boondoggle A study published last week by the Washington research organization, *Congressional Quarterly*, reveals that, while Federal grants to states have gone up sharply during the last decade, the states have actually lost money in the process. Here's the story:

In the period 1949-52, the states received an average of about $5 billion in Federal money annually—about ten per cent of the amount that was being taken from the citizens of the states in Federal taxes. During the next few years, grants were slightly reduced; but by 1958 they were on their way back up, and the states collected $7.4 billion in grants, a net increase of $2.4 billion for the ten-year period.

The percentage return of 1958, however, was actually less than it was ten years ago. The reason: under "grants-in-aid" and associated pressures for big spending, the Federal Budget had skyrocketed out of sight, and tax collections had zoomed from $48.7 billion to $79.9 billion.

Capsule Comment: The Federal-aid proponents are like men struggling in a bed of quicksand: the more they wrestle with their fallacious remedies, the deeper into disaster they sink.

Citation: The US Chamber of Commerce last week cited, among others, General Robert E. Wood, former board chairman of Sears, Roebuck & Company, as a "great living American." The Chamber annually recognizes men and women "who by their own initiative, self-reliance and ambition, have made notable contributions to human progress." The citation of Wood praises him for his achievements in business and the social benefits which he inaugurated for employees of Sears. But it also lauds him for his distinction "as a patriotic American citizen."

Some of those who are today mindful of the role which businessmen are being encouraged to take in the civic and political scene recall General Wood's farsighted and courageous fight as head of the America First Committee, in 1940-41. Despite the pressure from powerful interests urging US involvement in World War II, he stuck to his convictions and led his movement in opposition to such a course. Last year Wood, in a press interview, recalled his warning of almost 20 years ago, that a war to destroy Germany and Japan would injure the US and greatly advance the Communist program of world conquest. "Now that tragic mistake," he said, "is costing us billions of dollars a year."

DEAN S. JACOBY, Minister, First Christian Church, Crown Point, Indiana: "I enjoy and profit from HUMAN EVENTS! It is the best in news analysis."

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The Greatest Giveaway

A $35 Billion Foreign-Aid Program For America

By RICHARD WHALEN

SINCE 1947, the capital-hungry "underdeveloped" countries at the United Nations have campaigned diligently for a scheme that would enable them to drain the wealth of the United States, without incurring political, economic or military obligations.

On January 1, 1959, the predatory politicians of the backward nations quietly won a decisive victory, which may ultimately cost the American taxpayers billions of dollars. The New Year witnessed the birth of the little-publicized United Nations Special Projects Fund, reputedly an expansion of the UN "technical assistance" program, but actually the modest forerunner of a far more costly scheme, the Special United Nations Fund for Economic Development, coyly dubbed SUNFED.

Veteran giveaway artist Paul G. Hoffman has been appointed managing director of the Special Projects Fund, but he is little more than a front man for UN economists who avidly seek a global redistribution of wealth. Dag Hammarskjold's choice of Hoffman was a public relations gesture, calculated to disarm American officials who have misgivings about UN distribution of American dollars. The "liberal" *St. Louis Post-Dispatch,* untroubled by SUNFED's new name, declared:

"The appointment of an American to direct SUNFED may encourage Congress to support truly international aid. And the appointment of a Republican who served well with a Democratic Administration shows a nice understanding of American politics by Dag Hammarskjold."

Obviously, SUNFED's supporters know the score. It is time more American taxpayers, misled by the "Special Projects" tag, also were informed of what SUNFED means for the future of the United States: possible bankruptcy.

Though it sounds like a breakfast beverage, SUNFED actually means belt-tightening for America. First proposed in the UN 12 years ago, SUNFED is a multibillion dollar, multilateral program of "grants" (gifts) and long-term, "soft" loans to the "underdeveloped" nations. Under the plan, funds would be contributed by the "advanced" nations, principally the United States, and distributed by UN bureaucrats, unmoved by the slightest desire to further American policy aims. In UN officialese, SUNFED is a plan for "deep capital investment, on a deferred repayment basis, in the primary producing countries." How "deep" would this investment go?

To the very lining of the taxpayers' pockets.

ESTIMATES OF SUNFED expenditures run as high as $55 billion over a future ten-year period, *with some $35 billion to be contributed by the United States.*

In 1953, US participation in SUNFED was tied to disarmament progress: dollars not spent for weapons would be given to the UN. Following a sound disarmament agreement, President Eisenhower said, the United States would be prepared "to join with all nations in devoting a substantial percentage of the savings achieved by disarmament to a fund for world aid and reconstruction."

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But, despite the disarmament deadlock, the "underdeveloped" nations were hotly insistent. Very quietly, the United Nations Economic and Social Council (ECOSOC) created a phantom apparatus for SUNFED that could be activated overnight—a possibility which, in view of the personnel who man this agency, is not so remote.

A British socialist, Dr. Hans W. Singer, was named the Secretary General's Special Representative on the skeleton SUNFED. Dr. Singer remains Dag Hammarskjold's emissary on the Consultative Board of the new Special Projects Fund. Assisting him is another behind-the-scenes architect of SUNFED, David A. K. Owen, Chairman of the UN Technical Assistance Board, who coordinates all aid to the "underdeveloped" nations, appoints their Resident UN Representatives and enjoys enormous arbitrary power. Owen, also a British socialist, sits alongside Dr. Singer on the three-man Consultative Board.

Officially, the Eisenhower Administration will not admit that SUNFED now exists. Officially, the Administration is opposed to any UN capital development fund, *at this time*, because the money is not available. The Special Projects Fund, American UN diplomats insist, is an "alternative." It may seem so to these Americans, but the "underdeveloped" nations aren't fooled. They realistically see the Special Projects Fund as an infant SUNFED, ready to grow vigorously.

Consider this candid appraisal last October in a pro-UN publication, the monthly *Bulletin* of the Committee for World Development and World Disarmament:

"SUNFED may be out of sight, but it's certainly not out of mind. . . . One delegate said that the UN could not afford to postpone the financing of capital development until the achievement of disarmament. 'The need is now,' he emphasized. Some delegates indicated they hope for the eventual evolution of the Special [Projects] Fund into a capital development agency. Most of them will support the establishment of the new agency . . . as the maximum obtainable now."

Despite the disclaimers of our UN delegates, it is apparent the United States does not say *No* to SUNFED; we say, *Later*. The UN Resolution establishing the Special Projects Fund declares:

" . . . as and when the resources prospectively available are considered by the General Assembly to be sufficient to enter into the field of capital development, principally the development of the economic and social infrastructure of the less developed countries, the General Assembly shall review the scope and future activities of the [Special Projects] Fund and take such action as it may deem appropriate."

Thus, at the pleasure of the General Assembly, the Special Projects Fund can evolve into SUNFED. The debate is over; it is only a matter of time until the "advanced" nations yield.

ORIGINALLY, IT WAS proposed that SUNFED begin operations with $250 million, less than one-tenth of the projected annual figure. Over the years, this "starting price" has been whittled down to $50 million, which the Special Projects Fund will disburse this year. However, the amount of money is relatively unimportant; far more significant is the fact that the mechanism has been created to disburse greater sums of US tax money in the future.

With its present limited budget, the Special Projects Fund is primarily a planning operation. Through David A. K. Owen's Technical Assistance Board, the fund will attempt to create the molds into which dollars may later be poured. And who shall determine where the dollars are to go? An 18-member Governing Council, composed of Communist, non-Communist and "neutral" nations. They are: Argentina, Canada, Chile, Denmark, France, Ghana, India, Italy, Japan, Mexico, the Netherlands, Pakistan, Peru, the United Arab Republic, the Soviet Union, the United Kingdom, Yugoslavia—and the United States.

Each of the member nations, including the USA, has a single vote, although the United States contributes 38 per cent of the capital. Decisions on

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fund allocations are made by a two-thirds vote. (The Special Project Fund's operating rules contrast sharply with the rules governing the World Bank, where voting is weighted according to each country's original capital subscription; the United States, which subscribed 30 per cent of the Bank's capital, has 30 per cent of the vote.) The UN operates under the notion that all nations are to be considered "equal"—except when the bills must be paid.

THE POLYGLOT Governing Council clearly intends to conceive majestic projects, in anticipation of greatly increased development capital. One of the guiding principles laid down by the Fund's Preparatory Commission was that it should "concentrate, as far as practicable, on relatively large projects and avoid allocation of its resources over a great number of small projects." Projects embracing more than one country and requiring several years for completion were specifically recommended. This approach fits precisely the original blueprints for SUNFED, undermining the claim that the Special Projects Fund is an "alternative."

Its present modest budget will probably confine the fund to surveys, mineral and water research and personnel training. But, it is believed, one of the first major projects to be undertaken will be the harnessing of the Lower Mekong River in Southeast Asia, a long-cherished ambition of the UN Economic Commission for Asia and the Far East. A year ago, a UN Survey Commission recommended a five-year, $9 million program to collect data on the river and plan hydroelectric dam construction. The overall cost of the project is estimated at $2.3 billion. Interestingly, the Mekong flows for more than 1,000 miles through Red China, which could cause any river development project to have grave political consequences.

Advocates of SUNFED, at home and abroad, see UN aid as the foundation for roads, harbors, dams and power plants, the so-called "infrastructure" that will create the "preconditions" for greater investment in the underdeveloped countries.

Canny politicians in the backward lands are eager to raise impressive monuments to themselves. "There," they would like to say to their rapidly multiplying followers, "look at the fine dam I built for you. And there's more to come." Native demagogues, on the style of Nasser and Sukarno, are after "easy money." SUNFED is the answer.

But SUNFED, full-blown, would create more than costly "infrastructure." At bottom, it is a device for what socialists call "economic integration." By accelerating progress in the "underdeveloped" nations and applying the brakes in the "advanced" nations, UN economists hope to close the gap between the haves and the have-nots. An inescapable consequence of SUNFED is the transfer of national wealth, for no better reason than to bring living standards across the globe closer to a predetermined "average."

Gunnar Myrdal, former Executive Secretary of the UN Economic Commission for Europe and more recently director of a Twentieth Century Fund study of Southeast Asia, argues for SUNFED in his book, *An International Economy*. Decrying "the awkward fact of the United States' bigness," Myrdal suggests SUNFED as the way to level the peaks and fill the valleys. He envisions a world in which national wealth and power will be directly proportional to population—a grim prospect for the United States.

Casually, this doctrinaire socialist describes the enormous sacrifices SUNFED demands of the "advanced" nations, chiefly, of course, the United States. Recalling the planning of anonymous UN economists, he writes: "The United Nations experts on economic development calculated that for the underdeveloped countries the capital needed *annually* from abroad for industry and and agriculture alone . . . in order to insure the very modest increase in per capita income of two per cent a year, would be around *ten billion dollars*. . . ."

Myrdal adds: "The United Nations experts quoted above urged most strongly that some mechanism be created for transferring to the underdeveloped countries grants-in-aid. . . ."

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On January 1, 1959, the desired "mechanism" was created.

THE MASSIVE sums cited by Myrdal are not idle speculation; they are taken very seriously by One-World groups, such as the Committee for World Development and World Disarmament; they are the ultimate goal of the "underdeveloped" nations that voted for the Special Projects Fund. Several years ago, UN economists concluded that a golden stream of dollars should flow to the "underdeveloped" nations. Such men as Dr. Singer and Mr. Owen have patiently constructed the pipeline. And Americans, of the stripe of Paul G. Hoffman, are eager to see the trickle swell to a flood.

The clamor for greater emphasis on "technical assistance," at the expense of military aid, is growing steadily. Old, unilateral foreign aid programs, that held some hope of return, are being pushed aside by programs that regard aid as an end in itself. The "liberal" Eighty-Sixth Congress may well see fit to support increased multilateral aid, requiring that any taint of selfish motive be removed by channeling the money through the United Nations. The SUNFED pipeline stands ready.

"Liberals," who will not hear an unkind word about the UN, cannot be expected to inspect critically the new Special Projects Fund or its inevitable successor, SUNFED. Nor can they be expected to ask why, with several sources of investment capital available, the "underdeveloped" nations need SUNFED.

The answer, it would seem, is that other international lending agencies require that borrowers plan maturely and behave responsibly. The World Bank, for example, expects repayment, in kind, of loans, within a specified contract time. If dollars are borrowed, dollars—not "soft" local currencies—must be paid back. SUNFED, through the witless generosity of the United States, would simply give billions away, as so-called "grants-in-aid."

Informed Americans should inquire where the seemingly innocent Special Projects Fund will lead the United States, and why it bears so striking a resemblance to SUNFED, the greatest giveaway plan ever conceived. These questions must be asked and truthful answers demanded. Otherwise, American taxpayers must dedicate themselves to satisfying a single, unending demand from the envious peoples of the earth: *More*!

Richard Whalen is Associate Editor of *The Richmond News-Leader*. His most recent contribution to HUMAN EVENTS was "McCarthyism Revisited," February 11, 1959.

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